

AGENDA ITEM NO. VII-5

AGENDA REPORT

OVERSIGHT BOARD FOR THE CITY OF MAYWOOD AS SUCCESSOR AGENCY OF THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY

DATE: JANUARY 27, 2016

TO: HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD

BY: ANDRE DUPRET, PROJECT MANAGER

SUBJECT: RESOLUTION ADOPTING THE ADMINISTRATIVE BUDGET FOR ROPS 16-17 FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017

RECOMMENDATION

That the Oversight Board for the City of Maywood ("Oversight Board") as Successor Agency of the Maywood Community Redevelopment Agency ("Successor Agency") approve a resolution adopting the Administrative Budget for ROPS 16-17 for the period July 1, 2016 through June 30, 2017.

FISCAL IMPACT

Approval of the Administrative Budget will cover the Successor Agency's enforceable administrative expenses as appear in ROPS 16-17 for the period July 1, 2016 through June 30, 2017.

BACKGROUND

On December 29, 2011, in the *CRA v. Matosantos* case, the Court upheld ABX1 26 and invalidated ABX1 27 thereby eliminating redevelopment agencies and the voluntary option to pay to continue redevelopment. All redevelopment agencies in California were dissolved effective February 1, 2012 with assets, properties, and documents transferred to the successor agencies.

Pursuant to the Dissolution Bills, the Successor Agency was required to submit an Administrative Budget every six months setting forth the Successor Agency's enforceable administrative expenses. Beginning January 1, 2016, the Department of Finance ("DOF") no longer requires that ROPS be submitted bi-annually. Successor agencies are now only required to submit their Oversight Board-approved ROPS, and companion Administrative Budget, once per fiscal year. This year's Administrative Budget, and ROPS 16-17, must be submitted by the February 1, 2016 deadline.

DISCUSSION

Health and Safety Code Section 34177 requires the Successor Agency to prepare an Administrative Budget that covers the costs of time spent by staff to comply with the Dissolution Bills.

It is important to point out that the Administrative Budget that is presented is also included in ROPS 16-17. However, the Administrative Budget itemizes the administrative costs whereas ROPS 16-17 identifies it as a line item. As with the ROPS, the DOF requires the Successor Agency to prepare the Administrative Budget once per fiscal year. The administrative Budget being considered today was approved on by the Successor Agency Board on January 15, 2016 and is the ninth consecutive budget that has been brought before the Oversight Board for approval.

Upon approval, Successor Agency staff will transmit the Administrative Budget, together with the approving resolution, to the Department of Finance by the February 1, 2016 deadline.

Attachments: 1. Resolution
2. Administrative Budget

ATTACHMENT 1
Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF MAYWOOD AS SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY ADOPTING THE NINTH ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

WHEREAS, the Maywood Community Redevelopment Agency, Maywood, California (“Agency”) was formed for the purpose of revitalizing areas within the City of Maywood pursuant to Health and Safety Code Section 33000, et. seq.; and

WHEREAS, AB X1 26 and AB 1484 (“the Dissolution Bills”) dissolved all redevelopment agencies in the State of California; and

WHEREAS, the Maywood City Council opted to serve as Successor Agency to the Maywood Community Redevelopment Agency (“Successor Agency”); and

WHEREAS, under the Dissolution Bills, the Maywood Oversight Board was formed and must receive a Recognized Obligation Payment Schedule (“ROPS”) from the Successor Agency to the that sets forth all of the Successor Agency’s financial obligations over a twelve month period (fiscal year); and

WHEREAS, the Successor Agency is also required to submit an administrative budget to the Oversight Board that itemizes the Successor Agency’s administrative costs over the same twelve-month period; and

WHEREAS, the administrative budget attached hereto covers the Successor Agency’s administrative costs for the period July 1, 2016 through June 30, 2017, and was reviewed and approved by the Successor Agency on January 15, 2016.

NOW THEREFORE, THE OVERSIGHT BOARD OF THE CITY MAYWOOD AS SUCCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. The above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The Administrative Budget for the period July 1, 2016 through June 30, 2017, is hereby approved, adopted, and incorporated by reference by the Maywood Oversight Board pursuant to Health & Safety Code Section 34177.

SECTION 3. The Oversight Board hereto authorizes Successor Agency staff to take all necessary administrative actions to comply with Health & Safety Code Section 34177.

SECTION 4. The Oversight Board Secretary shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions and directs Successor Agency staff to submit the Administrative Budget and the adopting resolution to the Department of Finance and all agencies required to receive the documents by the February 1, 2016 deadline.

PASSED, APPROVED AND ADOPTED ON this 27th day of January, 2016.

Wesly Miguel Hernandez, Chair
Oversight Board of the Successor Agency to the
Maywood Community Redevelopment Agency

ATTEST:

Cesar Hernandez
Oversight Board Secretary

I HEREBY CERTIFY the foregoing Resolution No. _____ was duly adopted by the Maywood Oversight Board at a special meeting held on the 27th day of January, 2016, by the following vote:

AYES:

NAYES:

ABSENT:

ABSTAIN:

Cesar Hernandez
Oversight Board Secretary

ATTACHMENT 2
Administrative Budget

MAYWOOD
RDA Project Area All

Fiscal Year 2016-17

ESTIMATED ADMINISTRATIVE COSTS FOR TAX ALLOCATION PERIOD JULY 1, 2016 TO JUNE 30, 2017	
ESTIMATED ANNUAL FUNDING	
Code	Source
RPTTF	REDEVELOPMENT PROPERTY TAX TRUST FUND
OTHER	RESERVES, RENTS, INTEREST
TOTAL	
	1,505,000.00
	0.00
	1,505,000.00